

**SECTION J - PROVISIONS FOR ADMINISTERING THE DISCRETIONARY
COMPENSATION ADJUSTMENT (DCA) AND DISCRETIONARY
COMPENSATION PERFORMANCE RECOGNITION ADJUSTMENT
(DCPRA)**

1.00 Coverage

2.00 Discretionary Compensation Adjustment (DCA)

3.00 Discretionary Compensation Performance Recognition Adjustment (DCPRA)

4.00 Discretionary Compensation Performance Recognition Payment (DCPRP)

1.00 Coverage

The provisions of this Section (Section J) apply to permanent and project employees in positions allocated to classifications assigned to broadband pay schedules and unclassified employees not serving a fixed term (Section B, 3.05 and Section C of this Plan).

2.00 Discretionary Compensation Adjustment (DCA)

- (1) Concept. The Discretionary Compensation Adjustment (DCA) provisions allow the appointing authority the discretion to provide employees economic recognition for significant and permanent changes in job duties, increased competencies, or to address pay equity or retention needs.
- (2) Effective Date. DCAs may be granted at any time during the fiscal year. The effective date of an adjustment will be the beginning of the first pay period following effective receipt (as defined in Section I, 3.00 of this Plan) of the DCA recommendation. No DCA may be retroactive. If multiple pay adjustments have the same effective date, DCAs will be applied to an employee's base pay according to Section I, 4.01 of this Plan.
- (3) Initial Applicability. Agencies must develop administrative procedures that will be used to grant DCAs prior to awarding DCAs. The administrative procedures must be developed in accordance with the guidelines issued by the DER Secretary and will be applied in a uniform manner throughout the agency or employing unit.
- (4) Reporting Requirements. Agencies shall provide reports to DER at least annually (or more frequently as required). These reports will include the name and classification of the recipient, the reason for granting the adjustment, and a supervisory or management letter of justification supporting each adjustment. Additional information may be required at the discretion of the DER Secretary.

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- (5) Eligibility. All employees in pay status in positions allocated to classifications assigned to broadband pay schedules, and employees in unclassified positions covered by Section C of this Plan, are eligible to be considered for a DCA.
- (6) Individual Increase Limits. The individual increase limit provided in s. 230.12(5)(d), Wis. Stats., does not apply to base pay adjustments granted pursuant to 2.00 of this Section (Section J).
- (7) Funding. The DCA is not considered a “salary adjustment” for which supplemental allotments may be provided under s. 20.865, Wis. Stats.
- (8) Reinstatement and Restoration. DCAs may not be included when calculating pay on reinstatement or restoration.
- (9) Amount.
 - (a) Except as provided in (c), below, the DCA may be granted in any amount up to **4** within range pay steps (WRPS), subject to the maximum of the pay range. The DCA may be granted as a base pay adjustment or in a lump sum payment. For the purpose of applying the **4** WRPS limitation, the payment shall be converted to a base pay equivalent by dividing the lump sum by 2088.
 - (b) An employee may receive more than one DCA during the fiscal year, however, the total amount granted in the form of base-building and/or lump sum DCAs in the fiscal year may not exceed an amount equal to **4** WRPS, except as provided in (c) below. The DCA **4** WRPS limit, per fiscal year, per employee, includes DCAs granted by a single agency or by multiple agencies.
 - (c) Under exceptional circumstances, an appointing authority may submit a request to the DER Secretary to exceed the **4** WRPS limit specified in (a) and (b) above. This request must be accompanied by a comprehensive justification. If approved by the DER Secretary, the request will be forwarded to the Secretary of the Department of Administration (DOA) for final approval. Approval of **both** the DER and DOA Secretaries must be obtained prior to awarding any DCAs that exceed the **4** WRPS limit.

3.00 Discretionary Compensation Performance Recognition Adjustment (DCPRA)

- (1) Concept. The Discretionary Compensation Performance Recognition Adjustment (DCPRA) provisions allow the appointing authority discretion to provide employees economic recognition for meritorious performance.
- (2) Effective Date. At the discretion of the appointing authority, DCPRAs may be granted at any time during the fiscal year to an eligible employee. The effective date of the adjustment will be the beginning of the pay period

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following effective receipt of the DCPRA recommendation. No DCPRA will be retroactive. In the event of multiple pay adjustments with the same effective date, DCPRAs will be applied to an employee's base pay in accordance with Section I, 4.01 of this Plan.

- (3) **Initial Applicability.** Agencies must develop administrative procedures that will be used to grant DCPRAs prior to awarding any DCPRAs. The administrative procedures must be developed in accordance with the guidelines issued by the DER Secretary and will be applied in a uniform manner throughout the agency or employing unit.
- (4) **Reporting Requirements.** Agencies shall provide reports to DER at least annually (or more frequently as required). These reports will include the name and classification of the recipient, the reason for granting the adjustment, and a supervisory or management letter of justification supporting each adjustment. Additional information may be required at the discretion of the DER Secretary.
- (5) **Eligibility.** All employees who are in pay status in positions allocated to classifications assigned to broadband pay schedules and unclassified employees not serving a fixed term (Section B, 3.05 and Section C of this Plan) are eligible to be considered for a base-building DCPRA **except** the following:
 - (a) Employees who were ineligible for a General Wage Adjustment (GWA) in the same fiscal year because their job performance was rated below satisfactory.
 - (b) Supervisors who were ineligible for a GWA in the same fiscal year because they did not complete formal performance evaluations on all subordinate employees for whom performance evaluations are required.
 - (c) Any employee serving the first six months of a probationary period for an original appointment (or comparable trial period for a career executive or project appointment).
 - (d) Any employee paid at or above the applicable pay range maximum.
 - (e) Trainees eligible for scheduled trainee increases.
 - (f) Crafts Worker-related employees (project crafts workers, crafts worker supervisors, shop supervisors, and the Crafts Operation Manager, UW-Milwaukee).
- (6) **Individual Increase Limit.** The individual increase limit provided in s. 230.12(5)(d), Wis. Stats., does not apply to base pay adjustments granted pursuant to 3.00 of this Section (Section J).

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- (7) Except for those positions specifically excluded by s. 20.923(15)(b), Wis. Stats., the pay of an incumbent of a position, whose salary is subject to a limitation under s. 20.923, Wis. Stats., is limited to a rate below that paid the governor (salary of the current governor).
- (8) Funding. The DCPRA is not considered a “salary adjustment” for which supplemental allotments may be provided under s. 20.865, Wis. Stats.
- (9) Reinstatement and Restoration. DCPRAs may not be included when calculating pay on reinstatement or restoration, except when returning from a leave of absence granted for serving in an unclassified position.
- (10) Amount.
 - (a) DCPRAs may be granted in any amount up to **2 WRPS**, subject to the maximum of the pay range, separate from DCA WRPS limitation described in 2.00 of this Section (Section J). The DCPRA may be granted as a base pay adjustment or as a lump sum payment, described in 4.00 of this Section (Section J).
 - (b) An employee may receive more than one DCPRA during the fiscal year, however, the total amount of base building and/or lump sum (from 4.00 below) DCPRAs may not exceed an amount equal to **2 WRPS**. The DCPRA **2** WRPS limit, per fiscal year, per employee, includes DCPRAs granted by a single agency or by multiple agencies.

4.00 Discretionary Compensation Performance Recognition Payment (DCPRP)

- (1) Concept. The Discretionary Compensation Performance Recognition Payment (DCPRP), a lump sum DCPRA , allows the appointing authority discretion to provide employees economic recognition for meritorious performance.
- (2) Effective Date. At the discretion of the appointing authority, DCPRPs may be granted at any time during the fiscal year to an eligible employee.
- (3) Initial Applicability. Agencies must develop administrative procedures that will be used to grant DCPRPs prior to awarding any DCPRPs. The administrative procedures must be developed in accordance with the guidelines issued by the DER Secretary and will be applied in a uniform manner throughout the agency or employing unit.
- (4) Reporting Requirements. Agencies shall provide reports to DER at least annually (or more frequently as required). These reports will include the name and classification of the recipients, the reason for granting the adjustment, and a supervisory or management letter of justification supporting each adjustment. Additional information may be required at the discretion of the DER Secretary.

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- (5) Eligibility. All employees who are in pay status in positions allocated to classifications assigned to broadband pay schedules and unclassified employees not serving a fixed term (Section B, 3.05 of this Plan) are eligible to be considered for a DCPRP **except** the following:
 - (a) Employees who were ineligible for a GWA in the same fiscal year because their job performance was rated below satisfactory.
 - (b) Supervisors who were ineligible for a GWA in the same fiscal year because they did not complete formal performance evaluations on all subordinate employees for whom performance evaluations are required.
 - (c) Any employee serving the first six months of a probationary period for an original appointment (or comparable trial period for a career executive or project appointment).
 - (d) Crafts Worker-related employees (project crafts workers, crafts worker supervisors, shop supervisors, and the Crafts Operation Manager, UW-Milwaukee).
- (6) Amount. Each appointing authority will have the discretion to grant DCPRPs, within the allowable discretionary performance recognition authority established under (7) below, subject to the following restrictions:
 - (a) An employee may receive more than one DCPRP during the fiscal year, however, the total amount granted in the form of a base building and/or lump sum DCPRA in the fiscal year may not exceed an amount equal to **2** WRPS, described in 3.00(10) of this Section (Section J).
 - (b) For the purpose of applying the **2** WRPS limitation, the payment shall be converted to a base pay equivalent by dividing the lump sum by 2088.
- (7) Minimum Level of Funded DCPRP Spending Authority Available.
 - (a) A minimum level of funded DCPRP spending authority will be established. This funded DCPRP spending authority for a fiscal year will be established as \$100 per employee covered by these provisions on July 1, 2001, and June 30, 2002. The total funded amount available to an agency will not be less than \$1000 and not more than \$3000.
 - (b) The funded DCPRP spending authority will be established for **classified employees only**. No analogous funded DCPRP spending authority will be established for unclassified employees.
 - (c) The DOA will certify this funded DCPRP spending authority for each participating agency. Agencies may be provided with supplemental allotments

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under the authority of s. 20.865, Wis. Stats., for any lump sum granted under the funded DCPRP spending authority.

- (d) The funded DCPRP spending authority established for a fiscal year will lapse at the end of that same fiscal year.